



Winter 2018

Are your organisational values worth anything?

— David Hanlon

First a bit about values

Simply put they are principles or standards that guide behaviour. They reflect our judgement of what is important in life and, together with beliefs, they are the primary factors that drive our decision-making.



Values can be Positive or Potentially Limiting. For example, honesty, trust and accountability are positive values, whereas blame, revenge and manipulation are potentially limiting.

Most organisations we work with these days have a set of values and most have been generated with good intent.

Organisational Values

If you're not willing to accept the pain real values incur, don't bother going to the trouble of formulating a values statement.

They give guidance and aspiration about **HOW** your organisation would like to deliver on its strategy.

So, why do things go wrong?

Typically, organisations forge their values in a collective workshop or have them developed by the CEO and/or HR. They are generally rushed and as a result, the dominant members of the team drive what they want. As a result, staff do not have buy-in or believe in the values.

Lets take a look at Enron. Their values were Communication, Respect, Integrity, Excellence.

While Eron is at the extreme of meaningless value statements, the majority we come across are *"nice to have but useless in effect."*

Patrick Lencioni¹ goes further. He asserts *"most values statements are bland, toothless, or just plain dishonest. And far from being harmless, as some executives assume, they're often highly destructive. Empty values statements create cynical and dispirited employees, alienate customers, and undermine managerial credibility."*

Real-life example

I was coaching an aspiring middle manager in a large organisation who was having his first performance review with a new manager. He had delivered a good year's result. His managers only comment when asked about the culture section of the evaluation, was "I don't bother with that – its just a tick and flick – results are what I want."

¹ Patrick M. Lencioni (July 2002), *Make Your Values Mean Something*. Harvard Business Review



The Right Mind

Our work with organisations shows that:

1. The overwhelming majority don't know their values (they have a vague idea of some of them, but can't concisely reiterate them or say (that is acceptable or unacceptable on the basis of these values);
2. More importantly, very few have the vital few behaviours that are important in delivering on each of these values. Unlike values, behaviours are concrete. We can SEE or HEAR acceptable or unacceptable behaviour; and
3. Values are not linked into recruitment, performance reviews or general behavioural correction. This disconnect means values are secondary to other demands.

We suggest that if you want to have values in your organisation, you do three things.

1. Be clear on the core behaviours you want

Values are aspirational, behaviours are real. So, which behaviours do you want in your organisation? I like organisations to set out their values and behaviours in the following way.

Value	Behaviours that demonstrate living this value <i>Around here we will.....</i>	Unacceptable behaviours for this value <i>Around here we will not.....</i>
1. Integrity ..Being open, honest and fair	<ul style="list-style-type: none"> • be responsible for our actions • do what we say • communicate in an open, genuine manner 	<ul style="list-style-type: none"> • say one thing and do another • gossip and spread rumours • conceal mistakes

Behavioural research demonstrates organisations that focus on one, (or maximum two) concrete behaviours weekly each quarter has a significant shift towards desirable behaviours. Unfortunately, the behaviours are not followed through in most cases as busyness takes over.

2. Incorporate values into your induction package

The following table is based on the work of Jim Collins². I strongly recommend you incorporate similar into your induction package. Frequently values are handed out, pasted on walls, etc. however they are rarely acknowledged in the induction package. And perhaps, sadly the behaviours outlined in point three below are ignored.

² <https://www.jimcollins.com/tools/vision-framework.pdf>



	Area	Reality check	
		Yes	No
VALUE	<i>List value here</i>		
1.	Is this a value you would be proud to have as a key pillar in any organisation?		
2.	Do you believe those who repeatedly breach this value don't belong in this organisation?		
3.	Are you prepared to confront, or support those who confront, breaches of this value?		
4.	Would you support this value regardless of lack of personal recognition for living it?		
5.	Are you prepared to actively encourage, acknowledge and support behaviours that strengthen this value?		

3. Incorporate the behaviours into your performance reviews

Success is about much more than results and deadlines. It's about delivering those results within the right context of your values.

Whilst rogue employees will exist in many organisations from time to time, incorporating values into performance reviews (and we suggest, that with managers this is more frequent than the annual marathon review), will help overcome some of the behaviours that bring companies undone).

For example, a check that requests the employee to give feedback on the following:

1. Check understanding. Ask: Are the behaviours articulated in the values statement clear and are there any ambiguities from a management perspective?;
2. Get feedback. Ask: If the employee knows if any "Around here we will not" behaviours are happening?;
3. Give support. Ask: What can I do to support you to reinforce the behaviours we want?

My conclusion

Values so frequently are ornaments and are not lived. As Steve Simpson³ said "if your Values are not being taken seriously, we say Ditch Them. **Seriously!**"

Organisational Values

They are rarely lived and breathed as part of daily operations.

³ Steve Simpson (March, 2013), *Ditch Your Values*. Cultural Intelligence Newsletter.